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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 450
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 450's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Baldrige and Lanese

Local Impact Statement Procedure Required: No

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Highlights

- The bill amends state energy policy to encourage the development of “community solar projects” (CSPs). In doing so, it creates several new duties for the Public Utilities Commission of Ohio (PUCO), which would likely increase administrative costs. LBO is uncertain whether the new duties could be handled by existing staff.
- The bill requires the Department of Development to promulgate rules related to making grants to CSPs, which the bill makes eligible under an existing grant program, but does not have a direct fiscal effect on other state agencies or on political subdivisions.

Detailed Analysis

The bill amends state energy policy to encourage the development of community solar projects (CSPs) for the benefit of Ohio customers and to facilitate customer participation in the projects. Among other things, the bill defines a CSP as an electric generating facility using a solar photovoltaic device with a nameplate capacity of ten megawatts (MW) or less.¹ Please refer to the LSC bill analysis for a full description of CSPs. The bill allows the Public Utilities Commission of Ohio (PUCO) to certify up to 2,000 MW of CSPs, based on nameplate capacity.

Another 1,000 MW of CSPs may be certified, based on their prospective location in “distressed sites,” which is a term defined by the bill. For a CSP in a distressed site, the bill permits a nameplate capacity up to 45 MW, rather than the ten MW limitation for a CSP built elsewhere. The owner or operator of these particular CSPs (a “subscription organization”) is also eligible to

¹ Under continuing law, an electric generating facility using solar energy must gain approval from the Ohio Power Siting Board prior to construction, if the facility has a capacity of 50 MW or more.

receive a grant awarded by the Department of Development from the Brownfield Remediation Program. The Department must promulgate rules for awarding the grants. The grants and associated administrative costs are paid from Dedicated Purpose Fund (DPF) item 1956A2, Brownfield Remediation.

Under the terms of the bill, PUCO may be involved in certifying over 200 CSPs. In addition, PUCO must conduct an annual review of the CSP Program and submit a report to the General Assembly. The bill also requires PUCO to promulgate rules to implement the bill's provisions. These new duties would likely increase PUCO administrative costs, but LBO is uncertain about whether the new duties could be handled by existing staff. The bill does not include an appropriation, so the additional duties would likely be paid for by PUCO's largest operating expense appropriation, DPF item 870622, Utility and Railroad Regulation.